

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill in section 2 in §1363 by striking out all of subsection 3 (page 1, lines 33 to 38 and page 2, lines 1 to 9 in L.D.) and inserting the following:

3. Limited partnership between certificate of approval holder and wholesale licensee. Notwithstanding any other provision of this Title, a certificate of approval holder or its affiliate or subsidiary may participate as a limited partner in a limited partnership as defined in Title 31, section 1302 in which the wholesale licensee is the general partner and a certificate of approval holder or its affiliate or subsidiary may lend money to the partnership and to the general partner.

A. Notwithstanding the provisions of Title 31, section 1354, subsection 1, a certificate of approval holder or its affiliate or subsidiary that participates in a limited partnership pursuant to this subsection may not require as a term or condition to any such partnership agreement that the certificate of approval holder or its affiliate or subsidiary be given any right to participate in the control of the partnership's business.

B. Notwithstanding the provisions of Title 31, chapter 19, a limited partnership established pursuant to this subsection must terminate within 10 years of the date of filing the certificate of limited partnership pursuant to Title 31, section 1321.

C. A certificate of approval holder that enters into a limited partnership with a wholesale licensee may not have any managerial control over the day-to-day operations of the wholesale licensee.

D. A certificate of approval holder may extend financing to a wholesale licensee. In the event of a default by the wholesale licensee, the certificate of approval holder may not control or operate the wholesale licensee for more than 180 days.'

SUMMARY

This amendment adds further restrictions on limited partnerships between certificate of approval holders and wholesale licensees to specify that a certificate of approval holder may not have managerial control over the day-to-day operations of the wholesale licensee. It further provides that a certificate of approval holder may extend financing to a wholesale licensee but in the event of a default the certificate of approval holder may not control or operate the wholesale licensee for more than 180 days.